

**STATE RISK MANAGEMENT FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2003**

	June-03					March-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																					
<i>Structured Growth</i>																					
AllianceBernstein	58,299	2.3%	2.3%	10.39%	0.00%	73,985	2.8%	2.3%	-0.09%	53,956	1.9%	2.3%	2.89%	52,431	1.9%	2.3%	-13.54%	-1.88%	-28.65%	-21.24%	-6.07%
Russell 1000 Growth				14.31%	1.38%				-1.07%				7.15%				-15.05%	2.94%	-26.49%	-21.54%	-5.03%
<i>Structured Value</i>																					
LSV	56,205	2.2%	2.3%	19.71%	1.86%	55,719	2.1%	2.3%	-5.77%	60,515	2.1%	2.3%	6.49%	56,818	2.1%	2.3%	-18.63%	-2.25%	2.41%	8.84%	3.73%
Russell 1000 Value				17.27%	1.25%				-4.86%				9.22%				-18.77%	-1.02%	-8.96%	-0.19%	1.05%
<i>S&amp;P 500 Index</i>																					
State Street	270,130	10.6%	10.5%	15.39%	1.27%	277,772	10.4%	10.5%	-3.17%	281,869	9.9%	10.5%	8.41%	259,992	9.4%	10.5%	-17.26%	0.23%	-18.03%	-11.28%	-1.69%
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.25%	-17.99%	-11.20%	-1.62%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>384,634</b>	<b>15.1%</b>	<b>15.0%</b>	<b>15.15%</b>	<b>1.19%</b>	<b>407,476</b>	<b>15.2%</b>	<b>15.0%</b>	<b>-3.03%</b>	<b>396,340</b>	<b>13.9%</b>	<b>15.0%</b>	<b>7.33%</b>	<b>369,241</b>	<b>13.4%</b>	<b>15.0%</b>	<b>-16.96%</b>	<b>-0.48%</b>	<b>-16.89%</b>	<b>-9.33%</b>	<b>-1.90%</b>
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.25%	-17.99%	-11.20%	-1.62%
<b>SMALL CAP DOMESTIC EQUITY</b>																					
<i>Manager-of-Managers</i>																					
SEI	129,536	5.1%	5.0%	23.45%	2.03%	129,648	4.8%	5.0%	-4.21%	135,346	4.7%	5.0%	4.91%	129,017	4.7%	5.0%	-19.31%	0.09%	-11.77%	N/A	N/A
Russell 2000 + 200bp				24.00%	1.98%				-4.00%				6.68%				-20.97%	0.36%	-7.96%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>129,536</b>	<b>5.1%</b>	<b>5.0%</b>	<b>23.45%</b>	<b>2.03%</b>	<b>129,648</b>	<b>4.8%</b>	<b>5.0%</b>	<b>-4.21%</b>	<b>135,346</b>	<b>4.7%</b>	<b>5.0%</b>	<b>4.91%</b>	<b>129,017</b>	<b>4.7%</b>	<b>5.0%</b>	<b>-19.31%</b>	<b>0.09%</b>	<b>-11.69%</b>	<b>-3.49%</b>	<b>1.64%</b>
Russell 2000				23.42%	1.81%				-4.49%				6.16%				-21.40%	-1.63%	-8.59%	-3.30%	0.97%
<b>CONVERTIBLES</b>																					
TCW	254,998	10.0%	10.0%	11.99%	0.65%	292,478	10.9%	10.0%	1.17%	289,079	10.1%	10.0%	8.16%	267,292	9.7%	10.0%	-10.05%	10.23%	-20.37%	-9.51%	3.90%
First Boston Convertible Index				10.64%	0.65%				3.82%				9.83%				-8.47%	15.46%	-12.44%	-3.77%	5.29%
<b>DOMESTIC FIXED INCOME</b>																					
<i>Core Bond</i>																					
Western Asset	636,795	25.1%	25.0%	3.58%	-0.26%	688,174	25.7%	25.0%	2.16%	763,992	26.8%	25.0%	2.96%	733,279	26.6%	25.0%	3.51%	12.77%	8.36%	11.23%	8.12%
Lehman Aggregate				2.50%	-0.20%				1.39%				1.57%				4.58%	10.39%	8.62%	10.07%	7.54%
<i>Index</i>																					
Bank of ND	350,976	13.8%	15.0%	3.45%	-0.35%	378,293	14.1%	15.0%	1.65%	405,275	14.2%	15.0%	1.65%	410,753	14.9%	15.0%	5.96%	13.26%	8.38%	10.87%	7.78%
Bank of ND CD'S	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<b>Total Index</b>	<b>350,976</b>	<b>13.8%</b>	<b>15.0%</b>	<b>3.45%</b>	<b>-0.35%</b>	<b>378,293</b>	<b>14.1%</b>	<b>15.0%</b>	<b>1.65%</b>	<b>405,275</b>	<b>14.2%</b>	<b>15.0%</b>	<b>1.65%</b>	<b>410,753</b>	<b>14.9%</b>	<b>15.0%</b>	<b>5.96%</b>	<b>13.26%</b>	<b>8.38%</b>	<b>10.87%</b>	<b>7.78%</b>
Lehman Gov/Credit				3.52%	-0.40%				1.65%				1.73%				5.70%	13.14%	8.24%	10.82%	7.83%
<i>BBB Average Quality</i>																					
Strong	276,036	10.9%	10.0%	6.01%	-0.06%	291,479	10.9%	10.0%	3.29%	307,316	10.8%	10.0%	4.48%	290,730	10.6%	10.0%	3.07%	17.91%	N/A	N/A	N/A
Lehman US Credit BAA				6.54%	-0.05%				3.40%				4.59%				2.70%	18.33%	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>1,263,807</b>	<b>49.8%</b>	<b>50.0%</b>	<b>3.97%</b>	<b>-0.24%</b>	<b>1,357,946</b>	<b>50.8%</b>	<b>50.0%</b>	<b>1.63%</b>	<b>1,476,583</b>	<b>51.7%</b>	<b>50.0%</b>	<b>2.89%</b>	<b>1,434,763</b>	<b>52.1%</b>	<b>50.0%</b>	<b>4.11%</b>	<b>13.18%</b>	<b>7.38%</b>	<b>10.80%</b>	<b>7.81%</b>
Lehman Gov/Credit				3.52%	-0.40%				1.65%				1.73%				5.70%	13.14%	8.24%	10.82%	7.83%
<b>CASH EQUIVALENTS</b>																					
Bank of ND	506,444	19.9%	20.0%	0.32%	0.10%	486,406	18.2%	20.0%	0.35%	556,615	19.5%	20.0%	0.41%	554,810	20.1%	20.0%	0.48%	1.57%	2.41%	3.26%	4.15%
90 Day T-Bill				0.33%	0.14%				0.30%				0.43%				0.45%	1.52%	2.63%	3.33%	4.08%
<b>TOTAL RISK MANAGEMENT FUND</b>	<b>2,539,419</b>	<b>100.00%</b>	<b>100.00%</b>	<b>6.81%</b>	<b>0.26%</b>	<b>2,673,954</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.74%</b>	<b>2,853,964</b>	<b>100.00%</b>	<b>100.00%</b>	<b>3.59%</b>	<b>2,755,122</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-2.34%</b>	<b>8.86%</b>	<b>-2.68%</b>	<b>2.05%</b>	<b>2.58%</b>
POLICY TARGET BENCHMARK				6.27%	0.17%				0.56%				3.61%				-1.82%	8.72%	0.31%	3.08%	3.77%

NOTE: Monthly returns and market values are preliminary and subject to change.